

CCA Federal Election Policy Platform

Introduction

In preparation for the upcoming Federal election campaign, Community Colleges Australia (CCA) has released its Federal Election Policy Platform.

CCA is monitoring all statements by major political parties that have relevance to Australia's not-for-profit (NFP) adult and community education providers. Links at the bottom of this page lead to CCA's election research and analysis of announcements and issues of interest to Australia's community education providers.

Platform Summary

The CCA Federal Election Policy Platform outlines the scope and achievements of Australia's adult and community education providers, which have 385,000 vocational education and training (VET) students, 9.5% of the national total, and 5.7% of government-funded VET students. These numbers make Australia's not-for-profit community education sector a significant force in Australia's training landscape, especially in Victoria and New South Wales.

The Platform details how community providers are expert in reaching the country's most vulnerable and disadvantaged learners through government-funded vocational education and training (VET), including:

- **Disability:** 23.4% of community students have a disability.
- **Non-English speaking:** 30% of community education students come from non-English speaking backgrounds, including 39% in Victoria.
- Older learners: 41% of community education students are aged 45 and over, including more than 45% in Victoria.
- **Regional and rural:** 41% of community students live in regional and rural Australia, including more than 64% in New South Wales.
- **Social disadvantage:** more than 53% of community students are socially and economically disadvantaged, including 66% in New South Wales.
- **Indigenous:** While only 6.2% of community students nationally are Indigenous nationally, in New South Wales, more than 13% of community students are.
- **Female:** Two-thirds of community provider students are female.

If governments want to reach and engage Australia's most vulnerable and disadvantaged learners, they must start with not-for-profit community VET providers.

The Platform details specific requests to:

- fund community education infrastructure and facilities through a repeat of the 2009 "Investing in Community Education Program", as a cost-effective means to support the education and training aspirations of the country's vulnerable learners;



- recognise adult and community education by updating and reissuing the 2008 Ministerial Statement on Adult and Community Education (ACE);
- restore the community college and community education brand by preventing private for-profit from pretending that they are community-based organisations;
- *fund Australian community education-provided VET* to a minimum 15% of the total VET market (up from 9%) and 10% of government-funded VET (up from 5.7%);
- present clear policies about the role and purpose of TAFE, and how TAFE works with not-for-profit community providers, and ensure that increased funding for TAFE
 which CCA supports does not result in unintended consequences that damage the viability and sustainability of community providers;
- reverse the marketisation of VET, ensuring that government and community providers
 both committed to the common good receive the great majority of government
 VET funding, and not private for-profit providers;
- support increased funding for foundation skills, adult basic education and teaching of English as a second language, because of their intensive and high-cost nature;
- enable community providers to participate in regional economic development through supporting their place-based strengths;
- upskill older workers through resourcing community education providers;

The Platform concludes with a plea to Australia's political leaders to provide vision and leadership for VET and post-secondary education, developing bi-partisan approaches to our significant national challenges.

Australia's Community Education Sector in Perspective

Australia's not-for-profit adult and community education providers have 385,000 vocational education and training (VET) students, 9.5% of the national total (NCVER 2018). This compares to 16.2% of students at TAFE and 60.8% of students at private for-profit providers. By any count that makes the NFP community sector a significant force in Australia's training landscape, especially active in Victoria and New South Wales.

With government-funded VET, community providers have 5.7% of all students (68,170), compared to 52.3% for TAFE (622,100) and 40% for private for-profit providers (475,045). These numbers vary state by state: in Victoria, community providers have 13.5% of government-funded students (TAFE at 46%), and in New South Wales community providers have 4.4% of students, with TAFE sitting at 62.4%.

In addition to accredited VET, each year Australia's more than 420 not-for-profit Registered Training Organisations (RTOs) and 2500 total community education organisations engage many hundreds of thousands more students in non-accredited personal learning and development. For many of the students, their study provides an important <u>pathway back to education</u> and training.

The Community Sector's Outstanding Learners



Each year, Australia's NFP community sector makes a profound different in the lives of many tens of thousands of Australians – in achieving their professional and personal goals and contributing to their communities. Since 2017, CCA has run annual "Community Education Student of the Year" Awards, celebrating the achievements of Australia's adult and community education students. Take a look at the line-up of our short-listed and winning students in 2017 and in 2018, for a good indication of their range, breadth, depth and quality.

Reaching Vulnerable and Disadvantaged Learners

Australia's community education sector is unique in that it over-performs in reaching the most vulnerable and disadvantaged learners. In percentage terms, the <u>latest government-funded VET data</u> shows that community education providers beat TAFE and private for-profit providers in almost all measures of vulnerability and disadvantage:

Based on latest data on government-funded VET students available from the National Centre for Vocational Education Research (NCVER, 2018):

- **Disability:** 23.4% of community students have a disability, compared to 10.4% of TAFE and 7.6% of private for-profit provider students. In Victoria, students with a disability comprise 27% of community provider student numbers, almost triple TAFE (9.6%) and private provider (7.5%) student percentages.
- Non-English speaking background comprise 30% of community education students, compared to just over 20% of TAFE and 18% of private for-profit provider students. In Victoria, this percentage is 39.2%, again exceeding all other providers.
- Aged 45+: Almost 41% of community education students are older aged 45 and over compared to just over 16% of TAFE and 18% of for-profit provider students. In Victoria, more than 45% of community students are aged over 45.
- Regional and rural: More than 41% of community students live outside of capital cities, compared to 39% of TAFE students and 36% of for-profit provider students. In New South Wales, this demography is much more pronounced, with 64% of community students living in regional, rural and remote areas, compared to less than 37% of TAFE and less than 33% of private students.
- Social disadvantage: more than 53% of community students nationally are the most socially and economically disadvantaged, in the bottom two <u>SEIFA quintiles</u>, compared to 47% of TAFE and of private for-profit students. In New South Wales, the difference is more pronounced, with 66% of community students in this category, compared to 55% of TAFE and 56% of private provider students.
- Indigenous: While only 6.2% of community students nationally are Indigenous nationally less than TAFE with 8% and on a par with private providers in New South Wales, more than 13% of community students are Indigenous, compared to less than 10% of TAFE and 7% of private provider students.
- **Female:** *Two-thirds of community provider students are female*, compared to less than half of TAFE and private for-profit provider students.

The message from these numbers is clear:



If governments want to reach and engage Australia's most vulnerable and disadvantaged learners, they must start with not-for-profit community VET providers.

Fund Community Education Infrastructure and Facilities

One of the greatest challenges facing community education providers is how to maintain existing and construct new buildings. Small and medium providers, especially in regional, rural and many outer metropolitan areas, face special and <u>well-documented challenges</u> to maintain the high infrastructure costs imposed by accreditation and competitive tendering.

In 2009, the Commonwealth Government set up a \$100 million "<u>Investing in Community Education and Training program</u>", part of a \$500 million VET Capital Fund that included TAFE. This fund offered not-for-profit community education providers grants up to \$1.5 million for major capital infrastructure developments and upgrades.

Community Colleges Australia (CCA), working with Per Capita, surveyed almost half of the community providers that received funds under this program. We found that more than 100,000 additional students undertook training in the following 7 years as a direct result of that funding, as well as greatly enhanced accessibility for students with disabilities and numerous other community benefits. In other words, a new student was trained for every \$1,000 invested, a fabulous return on investment.

CCA calls on the next Commonwealth Government to repeat this facilities investment for not-for-profit training providers, as a cost-effective means to support the education and training aspirations of the country's vulnerable learners.

Recognise Adult and Community Education

CCA <u>calls on the Commonwealth and all state and territory governments</u> to update and reissue the December 2008 Ministerial Statement on Adult and Community Education (ACE).

The last <u>Statement</u> – issued by the Ministerial Council for Vocation and Technical Education – confirmed the "value of ACE in developing social capital, building community capacity, encouraging social participation and enhancing social cohesion." The Statement described how the sector can respond to industrial, demographic and technological changes, including important contributions to skills and workforce development – and thus to productivity.

There is very little in the 2008 Ministerial Statement that does not apply today. But the world of post-school education has changed rapidly in the past ten years. Australia needs a national policy statement that articulates the new realities of VET, given our rapidly changing economy, systematic underfunding of the VET sector, substantial damage to the VET "brand" by the VET FEE-HELP scandals, rapid expansion of international higher education and VET, and the exponential increase in the number and reach of private for-profit VET providers. This statement must include the capability of community providers to undertake a set of unique services as well as complement the activities of TAFE, the sector's role in educating young people, and providing services to the National Disability Insurance Scheme (NDIS) and other programs.



CCA supports Adult Learning Australia's "Make It Fair" campaign for national lifelong learning, along with Australian Council for Adult Literacy (ACAL), Australian Neighbourhood Houses and Centres Association, Community Council for Australia, ACE Victoria, Australian Library and Information Association and other peak community groups.

Restore the Community College and Community Education Brand

The community education and community college brand has been comprehensively confused in recent years, because all levels of government have allowed some private for-profit VET providers to use the words "community" and "college" freely in their names. A large part of the public can no longer distinguish between genuine not-for-profit (or government) community-serving education and training and their for-profit VET counterparts. This is not an accident. These for-profit companies purposefully use the words college, community and various place names – Australia, Melbourne, Sydney, Adelaide, Brisbane – as a means of deceiving potential learners to think that they are a public or community provider. This page on the CCA website lists more than 30 examples of confusing organisational names.

CCA calls on the next Commonwealth Government to ensure that the naming of Australian educational organisations is properly regulated, with deceptive marketing banned, and requires all accredited RTOs to provide full details of ownership structures and key personnel on publicly available websites.

Fund Vocational Education and Training Properly

Proper government funding for Australian VET is imperative. The numbers are clear: in ten year period to 2016, real terms government expenditure shows:

- pre-schools increased by 150%;
- schools increased by 30%;
- universities increased by 53%; but
- *VET decreased by 5%.*

VET is the "forgotten middle child", says Dr Damian Oliver:

"The middle child is squeezed between schools, which tend to get a lot of policy attention, like the youngest child, and the universities, which tend to get the prestige and status, like the oldest child. There is no doubt that the VET sector has a lower status in Australia."

Proper funding for the whole VET sector is only a start. For Australia's VET system to remain diverse, relevant and sustainable into the future, community education-provided VET should be maintained to a minimum 15% of the total VET market (up from 9%) and 10% of government-funded VET (up from 5.7%).

These targets will ensure that Australia's VET system is viable and works for everyone seeking vocational education and training. It would be a significant policy failure to allow Australia's successful adult and community education model to diminish, rather than



capitalising on the sector's acknowledged expertise to reach the vulnerable, marginal and disadvantaged learners and groups in the community and regions.

TAFE Funding

CCA recognises the shared values and important contributions that public technical and further education (TAFE) and community education providers undertake to promote access and equity in education and training across all segments of Australian society. CCA recognises that TAFE is both the largest provider and the anchor institution for providing equitable VET, and supports proper TAFE funding. (View CCA's policy on TAFE here.)

The Commonwealth, along with all state and territory governments, must present clear policies about the role and purpose of TAFE, and how TAFE works with not-for-profit community providers. The community VET sector complements TAFE in that it excels in delivering pathway programs that help vulnerable and disadvantaged students to get jobs, advance their careers and access further training – frequently at TAFE.

Community education providers and TAFE have many characteristics in common, given that both operate on a "social benefit" model. Both sectors:

- aim to increase educational participation, frequently serving as a "second chance" providers;
- work to develop skills as well as to build social capital and resilience within the communities where they operate; and
- are not motivated by providing a financial return to private investors by way of dividends and market share listings, in the manner of private for-profit VET providers.

Recent free TAFE course announcements by the <u>Victorian Government</u>, the <u>New South</u> <u>Wales Government</u> and promises by the <u>Federal Opposition</u> indicate a welcome return to support for TAFE, which CCA supports.

What CCA does not support, however, are the unintended consequences of providing free TAFE courses while leaving the rest of the policy settings unchanged. When this happens, there will be (and it has already happened in Victoria) a negative impact on the ability of community providers to service their communities. That may not be the intention, but that's the reality. If additional TAFE funding damages the viability and sustainability of community providers, the whole training sector will lose.

Reverse the Marketisation and Privatisation of VET

The marketisation and privatisation of Australian VET has been universally condemned as a "disastrous failure". In the Australian schools sector, there are almost no "for profit" institutions. In the university sector, <u>for-profit institutions enrol only 5% of students</u>. Yet in the <u>VET sector in 2017</u>, more than 60% of students enrolled with private for-profit providers.



The age of "contestable funding" for VET has severely disadvantaged community education providers. No less than the self-described "Queen of Capitalism", Business Council of Australia's Jennifer Westcott, has said:

"We can't just say let the market work, because it doesn't always work for everybody.... It doesn't often work for disadvantaged people, it doesn't work in certain locations [and] it doesn't work for emerging skills. Whenever you hear people say, "Let the market just run," you say: to what end and what purpose? Market reform has to be about outcomes, not fads."

The much-abused <u>VET FEE-HELP</u> scheme was the worst manifestation of marketisation. But it was only a symptom of a much deeper malaise in Australian public life. This "<u>neoliberalism</u>" assumes that the <u>privatisation of public educational and other services</u> is a good thing. An efficient market will provide when public funding is given to the private sector. What we know now – and should have recognised years ago – is that this simply is not true.

Education is a public good; it should not be <u>sustaining profit margins greater than 30%</u>. If it does, surely quality suffers. The marketisation of Australian public services has never been more <u>problematic than in the VET space</u>. Education and training is <u>not a suitable buy-and-sell</u> commodity, both on rational economic as well as social criteria.

Even the Commonwealth's <u>Productivity Commission acknowledges</u> that, "The expansion of VET FEE-HELP access after 2012 is a well-documented example of how policy can fail if governments do not ensure proper policy design along with suitable regulatory oversight."

The Australian National Audit Office report on the <u>Administration of the VET FEE-HELP</u> <u>Scheme</u> also acknowledges that a <u>free-for-all Australian VET market is wrong</u>. Paragraph 27 of the report details how there was an average tuition fee increase of 342% over a 6 year period due to VET FEE-HELP, and a variation in course fees of up to 1000%.

In other words, consumers did not have enough information or power or capability to determine or negotiate the proper pricing mechanism. Many learners simply assumed that because the loans were from the Australian Government that it must have been okay. Put simply, competition did NOT bring lower prices or higher quality – in fact the opposite occurred.

And which consumers fared worse from the VET FEE-HELP fiasco? The answer: Indigenous students and low socio-economic status students. The Government's "*Redesigning VET FEE-HELP*" paper found that in 2015 the average annual tuition fee for Indigenous students was almost 40% higher than non-Indigenous students.

These are extraordinary findings. Australia does not need more "choice" or competition in VET. What Australia needs are properly funded government and community providers that are committed to the common good to receive the great majority of government VET funding, and not organisations that produce high levels of profit for individuals and corporations.



Support Foundation Skills, Adult Literacy and Numeracy

The <u>Australian Bureau of Statistics has concluded</u> that a significant proportion of the adult population in Australia was unable to "demonstrate minimum levels of literacy and numeracy required ... in the emerging knowledge-based economy."

The <u>Australian Council for Adult Literacy estimates</u> that "one in five adults do not have the literacy skills to effectively participate in everyday life." A survey by <u>Mission Australia and Youth Action</u> showed that 74 percent of young people said that literacy and numeracy issues were significant barriers to completing VET qualifications.

Australia's community providers do some of the <u>heaviest lifting in adult literacy</u> and numeracy, with the concentration on lower level training. Yet funding languishes.

CCA calls for an increase of funding provided for foundation skills, adult basic education and teaching of English as a second language, because of their intensive and high-cost nature required for the lowest educational level of learners and the total "volume of learning" required in foundation skills programs.

Enable Regional Economic Development Through Supporting the Place-Based Strengths of Australia's Community Education Providers

Australia's not-for-profit community education providers play an important role in regional and rural economic development through their training and other community service activities. CCA estimates that Victorian community education providers deliver at least 20% of accredited VET training in non-metropolitan Victoria, and more than 10% in non-metropolitan New South Wales. VET participation is at least 50% higher in regional and rural communities, where community providers constitute a significant national force. Australia needs to reduce the arbitrary barriers that prevent community providers from participation in regional economic development programs.

The community sector also plays an important role in outer metropolitan areas such as Western Sydney, home to 2.3 million people – almost 10% of Australia's population. CCA is working with 14 NFP community providers and the NSW Government to develop a coordinated approach to economic development of that region.

The Australian Government's <u>Select Committee on Intergenerational Welfare Dependence</u> supports a place-based approach as "an effective way to improve entrenched disadvantage ... [and which] reflects an understanding of the community and its people, and the particular circumstances that exist in that community.... It offers a customised response rather than 'one-size-fits-all' program."

The <u>Regional Australia Institute</u> emphasises how place-based programs meet the need for locally sources solutions as a means of moving away from "thinking about service delivery as a marketplace." A "uniformity in delivery processes across Australia leaves no avenue for the consideration of local issues or actions. And it can be often used as a smokescreen for



'equity' (everyone is subject to the same program or policy guidelines) but actually it leads to anything but, frequently imposing unworkable requirements on regional providers."

Community education providers have an excellent ability to undertake and support place-based regional economic development activities. CCA calls on the next Commonwealth Government to strengthening economic development capabilities of community education providers as one of the most cost-effective means to promote regional economic development.

Upskilling Older Workers

CCA welcomed the Government's <u>Skills Checkpoint for Older Workers</u> program, designed to support people aged 45 to 70 to remain in the workforce. Many of this age group are at risk of becoming collateral damage in a rapidly changing economy.

Community education providers have the right environment and style to <u>reach and re-train</u> <u>older workers</u> in many industries. In 2017, almost 41% of community education students were older – aged 45 and over – compared to 16% of TAFE and 18% of for-profit provider students.

Rational government policy would ensure community providers can take their place in meeting the needs of older workers, as the natural partner for governments.

Provide National Leadership

CCA concludes this paper with a plea to our national political leaders to provide real vision and leadership in Australia's VET and post-secondary education, developing bi-partisan approaches to our significant national challenges.

It's time for proper funding: no-one can say that Australia doesn't have the money, because we surely do when all major political parties are promising personal tax cuts in the current election campaign.

It's time to bring the states and territories together to further a national conversation on how we educate and train Australia for the mid twenty-first century.

And it's time to value the contributions that Australia's community education sector makes to skills development.

Contact:

Community Colleges Australia by email admin@cca.edu.au or telephone (02) 9233 3634 Web: www.cca.edu.au